

# Method and system for purchasing copyrighted digital data from independent sales parties

## Abstract

A method and computer system that allows copyrighted digital data to be sold securely by independent sales parties. The system, referred to as the Secure File Distribution Network (SFDN), ensures that all creators and distributors of the copyrighted digital data are paid all royalties and fees owed to them, regardless of who is selling the copyrighted digital data and without damaging their fair-use rights. There are three parties that participate in any transaction in the system; the Verification Authority (VA), a seller, and a buyer. The VA is responsible for keeping track of all buyers, sellers and merchantable works being traded on the file sales network. A merchantable work is described as any copyrighted digital work that is being sold on the file sales network. The VA is responsible for matching buyers with sellers and providing a search service for users of the system so that merchantable works can be found easily. Once a merchantable work is located in the desired media format, and at an attractive price point a buyer and seller

can negotiate a secure transaction. Once the secure transaction is completed (ie: a buyer has the digital media purchased), the VA will distribute payments to the seller and all creators involved in a particular work. Thus a considerably more useful file distribution and royalty disbursement system is provided—that can track every digital file sale, disburse royalty payments and provide each content creator security in earning a living from creative works while not impinging on consumer fair use rights.